

## KCG Call Centers, LLC (May 9, 2005)

Pennington Gap, Virginia

I am pleased to announce today the arrival of 100 jobs and a capital investment of more than \$1 million for Lee County's economy. Today's announcement is another success for my Showcasing Southwest Virginia program.

KCG Call Centers, LLC, operating as a member of the Results Network of Dania Beach, Florida, will establish at the West Gate MiniMall in Pennington Gap a 72 seat call center for the provision of telephone based customer service. The center will employ more than 100 individuals as customer service representatives and administrative staff.

As a formal member of The Results Network, KCG Call Centers will host not only call center seats for its own clients, but also seats for clients furnished by the Results Companies. The agents in the center will handle inbound customer service calls, blended with customer retention and sales calls to existing clients. The jobs will offer competitive wages and a benefits package.

The success we're marking today emerged from discussions I began 4 years ago in 2001, when I invited a well known national company that sells programming via satellite to visit Southwest Virginia and consider the possibility of meeting its future needs for customer service here in our region. The company was just beginning to experience rapid growth in its customer base, and the time was approaching when there would be a need to increase customer service capacity.

In 2002, I hosted corporate officials of that company on a tour of my Congressional District to demonstrate the assets our region has to offer. With the assistance of local and state officials, we showcased several communities and facilities, and we presented information on our outstanding educational and workforce assets and on Virginia's attractive incentives.

The company made two additional visits to Southwest Virginia in 2004, which I also hosted.

Ultimately, instead of opening its own call center, the company I had hosted on visits here decided to focus on its core business -- entertainment programming-- and to allow a company with proven expertise in customer service to handle its call center needs. The Florida-based company chosen to handle customer service for them is The Results Companies. The corporate executives of the entertainment company who had visited our area were so impressed with Southwest Virginia that they suggested that Results consider our region for the location of its next center.

Following up on that suggestion, in January of this year, Results contacted my office concerning its need to find a site quickly for a new customer service center. We learned that Results, which was founded in 1990, manages more than 2000 call center seats in a network comprised of more than 30 facilities that are located for the most part in the US, Canada and the UK. Results has Fortune 500 clients in the telecommunications, insurance and financial sectors such as JP Morgan Chase, General Electric, XM Satellite Radio and Aon and is rated among the top ten companies in the teleservice industry in both in-bound and out-bound calling. And of special interest, we were pleased to observe that Results prefers to operate small call centers in rural low cost areas of the nation.

My office immediately arranged a tour of Southwest Virginia for executives from Results that spanned 3 days and a large part of my Congressional District. Encouraged by what he had seen, the President of Results, Robert Rapp, returned to the region in early April for a second tour, which I also arranged.

Robert brought with him Paul Kavanaugh, President of KCG Call Centers, LLC. Paul is a 20 year veteran of the customer support business, and Robert was confident that he would be equally impressed with our region and would see the advantages of placing a call center here. Within days of the April visit, Paul informed us that had an immediate need for a new call center, that he was highly impressed with our region and that he had decided to move forward with a call center in Pennington Gap. It has been a pleasure working with Robert and Paul, and I want to extend a warm welcome to them. I hope that the Pennington Gap center will be but the first of several Results affiliated call centers in the 9th District.

Construction on the new center began immediately, and I want to commend Benny Sargent and Darrell Crusenberry, owners of the building, for their hard work in preparing the facility in the rapid time frame this project requires. Hiring will begin at the end of May, and KCG hopes to begin operating in the center by mid-June. Anyone interested in employment at the facility should contact the Virginia Employment Commission at 276 679-9413.

This project has been such a team effort that it is difficult to know where to begin to recognize those who have been essential to the success we are announcing today.

The State of Virginia has played a key role in this effort, as it has in many other Showcasing Southwest Virginia projects, and I want to express my great appreciation to Governor Mark Warner and the Virginia Economic Development Partnership for the work they do in furthering the cause of economic development in Southwest Virginia. I especially want to thank Project Manager Michael MacNeilly for the diligence, expertise, and many hours of hard work he has brought to bear on behalf of Southwest Virginia in general and this project specifically. I also want to express my appreciation to Lea Lofty, Project Manager with Virginia Workforce Services, for her excellent efforts.

Our office always counts on the support, leadership and expertise of the Virginia Coalfield Economic Development Authority, its Executive Director Charles Yates and other fine staff members, in working with our Showcasing Southwest Virginia prospects, and this project has been no exception. VCEDA is an outstanding leader in economic development in our region and an excellent partner in our efforts.

Lee County has been long overdue for a success of this nature, and no one has worked harder to make it possible than Lee County's Economic Development Director Tim Long, the Lee County Industrial Development Authority and the Lee County Board of Supervisors. Tim and Lee County have been doing all the right things to attract industry - investing in land, facilities and infrastructure, marketing the county in various ways and aggressively pursuing every opportunity. I am confident that the success we are announcing today will be one of many for Lee County, and I offer congratulations to Tim Long, to the Lee County IDA and its Chairman Quinten Littrell and to the Board of Supervisors and its Chairman Claude Ray for their foresight and commitment to bringing jobs to Lee County.

The LENOWISCO Planning District Commission, always a participant in economic development in the region, has played a significant and unusual role in this project. The LENOWISCO regional broadband system will be of benefit to KCG and to other companies in the region in need of high speed telecommunications capabilities. This innovative network, funded by the Virginia Tobacco Commission, offers an extraordinary amount of bandwidth, transmission speed, redundancy and service options. Key members of the Virginia Commission, including Secretary Mike Schewel, Senators Phillp Puckett and William Wampler, Delegate Terry Kilgore, and citizen members Ronnie Montgomery and Fred Fields have been key supporters of the broadband project. I would note that we are now discussing the prospects for obtaining federal funding to expand further the fiber optic networks in Lee, Scott and Wise Counties, and I hope to have more to say about that investment later this year. I congratulate the leadership of LENOWISCO and Executive Director Ron Flanary for their vision in bringing the infrastructure for the 21st Century to Lee County. And I fully expect that today's announcement is just the beginning of many other good things to come from this initiative.

And finally, I want to recognize and thank three key individuals whose confidence in our region has made this announcement possible: Robert Rapp, President of the Results Companies, Paul Kavanaugh, President of KCG Call Centers, LLC, and Kathy Kavanaugh, Vice President of Operations at the Pennington Gap Center. We welcome Results and KCG Call Centers to Lee County and to Southwest Virginia, and we pledge our full and ongoing support to assuring your success in our region.

Let me close by saying that this is an excellent opportunity for not only for Lee County, but for our entire region. My staff and I are now talking with Paul and Robert about the possibility of opening several additional call centers in Southwest Virginia in the next two years. Just as soon as the center in Lee County is operating successfully, we will begin working with KCG Call Centers and The Results Companies to site their next call center in our region.

I will now call on John Sternlicht, Deputy Secretary of Trade and Commerce, for his comments on behalf of Governor Mark Warner.